The Conservation Programs of the Future Remarks by Bruce I. Knight, Chief, Natural Resources Conservation Service at the CRP: Planting for the Future Conference, Fort Collins, CO June 7, 2004

Thank you, Jim [Little, Administrator, Farm Service Agency, U.S. Department of Agriculture]. It's a pleasure to be here with all of you today. As most of you know, Jim and I share responsibility in various ways for two of the biggest conservation programs on private land – the Conservation Reserve Program and the Environmental Quality Incentives Program.

We have been working together over the past two years to streamline the way our two agencies work together. And we have had many successes. We are also working together on the new Grassland Reserve Program – GRP. We released the interim final rule for GRP last month. The comment period runs until July 20. I hope many of you will take the time to send in your comments.

Jim and I have been meeting regularly to explore opportunities to work more closely together. Jim, I want to say thank you for your leadership in helping our agencies work together effectively and efficiently for good conservation. I look forward to continued cooperation through this farm bill and subsequent farm bills, as we move toward implementing a more completely rational division of labor.

## **A Good Time for Policy Discussions**

We are here this week to look at the future of CRP. To explore different ideas of what it should look like – or might look like – under the next farm bill. There was a similar conference leading up to the 1996 farm bill.

This is an exciting time to be looking to the future of conservation. We are in the midst of a revolution in conservation. The 2002 farm bill makes a record investment in conservation, and President Bush has followed up in his annual budgets, including this year's budget and next year's proposed budget.

The 2002 farm bill also places a greater emphasis on working lands, rewards good stewardship, and stimulates more conservation. And it provides for greater accountability because, as you have heard, the Administration and the Congress are demanding greater accountability.

The next farm bill is only 3 years away! With that deadline in mind, it is not too soon to start thinking about the future of CRP and other conservation programs. The timing of this conference is perfect.

### **Personal Perspectives**

You have given me a great spot on the program for this conference, and I don't want to waste it. I could talk in general ways about how important conservation is and what CRP has accomplished. I could steer my remarks carefully down the middle of the road. Instead, I want to take a serious look at some of the issues that will undoubtedly come up as we look more closely at CRP and other conservation programs in the coming years.

Jim Hightower, the legendary Texas populist politician, said that the only thing in the middle of the road is the yellow line and dead armadillos. So I am going to stay out of the middle of the road and talk from my own personal experience – as have this morning's speakers.

## **Landowner Perspectives**

First of all, I am a farmer and rancher. I have a diversified grain and cattle operation near Gann Valley, SD, where I use no-till and rest rotation grazing systems.

As a landowner, I want common sense program criteria – not arbitrary rules. I remember once, quite a number of years ago, that my father wanted to put some land in CRP. He started through the process, and quickly found out he had been farming too well to participate. I asked him why he didn't get the plow out and try again, But he said it just wasn't worth sacrificing his principles or damaging the land. That's just the way lots of farmers and ranchers are.

As a farmer, I also want programs that contribute to sustainability – not just environmentally, but also economically and culturally. And, I want programs that are easy to use.

# **Policy Perspectives**

In addition to being a farmer and rancher, I have spent a lot of my adult life working on farm bills – either on congressional staffs or as a lobbyist for commodity groups.

As a policy person, I want a farm bill that supports overall farm policy, considers all programs in a portfolio approach, and keeps easement programs in perspective relative to financial assistance programs,

You may know that we are in the midst of reorganizing the Natural Resources Conservation Service to reflect – among other things – a balance between easement programs, financial assistance programs, plus conservation planning and technical assistance.

As a policy person, I also want a farm bill that is based on measurable results and gets the most bang for the buck.

### **Management Perspectives**

For the past two years, I have been an agency head. As a manager of conservation programs, I want clear, mission-oriented responsibilities, efficient delivery, and synergy, rather than friction, between Departments and Agencies, such as the Farm Service Agency, the U.S. Environmental Protection Agency, and the U.S. Fish and Wildlife Service.

## **Changing Program Objectives**

Those are the management perspectives. Now, let's talk about changing program objectives.

One thing I think we have to consider in looking at the future of the Conservation Reserve Program and other conservation programs is the ways in which programs have to change over time. The original objectives of CRP included reducing soil erosion. We have made great strides in meeting this objective. So much, in fact, that to make significant additional progress, we must look at new approaches. Another objective of CRP was reducing commodity surpluses. We once had too much grain, but the situation is changing.

So, what are the emerging objectives?

## **Adapting to Market Forces**

As a farmer, I take a great deal of pride in my moral obligation to help feed the world. But, we also have to adapt to the influence of market forces.

Within this country, we have seen grain prices rising, even as production has increased. We are not producing more than we need. At the same time, the amount of cropland and the amount of rangeland has been going down slightly, increasing the pressure on the land that remains in production. All this adds up to increased pressure on our grasslands, both existing national grasslands and CRP grasslands – particularly those that have been converted from cropland.

We can't afford to look at the program implications only domestically. Both farm and conservation policy in the future must be developed from a global perspective. Globally, we need to keep production in the United States. In the last 30 years, nearly 30 million acres of the Cerrado in Brazil have been converted for soybeans production. As you all know, that is not all that far from the total acreage for CRP!

Sometimes, the choice is between conservation here in the United States vs. exploitation overseas.

# **Emerging Environmental Issues**

We also have to look at emerging environmental issues.

Today's many and varied conservation programs do not approach the whole package of environmental issues in a unified way. So, there are opportunities and a need to look at a more comprehensive approach every time we consider changing the individual programs.

Some of the emerging issues include

- Carbon sequestration Particularly the role of grasslands in sequestering carbon. Agricultural lands, including grasslands, have great contributions to make in this area.
- Water issues The present portfolio of conservation programs is working away at the need for nutrient management, conservation tillage, buffers, and other water quality enhancement practices. And we are using program flexibilities to create as many buffers as possible. But there are other opportunities and more to be done.
- Wetlands The President issued a strong wetlands challenge on Earth Day: three million acres in five years. If history is a guide, half of those gains will come from CRP. And we can do more on wetlands through CRP
- Habitat for critical and declining species We are addressing habitat issues as part of many programs already. But this is a good area to consider when looking at changes to existing programs.
- Open space This is why we have the Farm and Ranch Lands Protection Program and the Grasslands Reserve Program and, perhaps, come of the Conservation Reserve Program.

Overall, we need a balanced approach.

# **Changing Expectations**

The third thing we have to look at as we talk about the conservation programs of the future is the changing expectations of the decision makers in Congress and the executive branch. You may notice that some of these changing expectations are not new. Some of them date from the Nixon administration. They reflect attitudes about government that have been in development for three or even four decades in some cases.

One area of changing expectations involves incentives versus entitlements. There is a growing sentiment that the Federal dollar should be used as an incentive to stimulate behaviors that produce the benefits that society wants and needs. The new Conservation Security Program – which within a few years will be our largest conservation program – is a working lands program designed to reward landowners for their stewardship and motivate them to do more. I think we can look for a greater emphasis on incentives in the next farm bill.

As Jim said, there is also a growing sentiment that government programs should produce measurable results. This emphasis has been with us at least since the 1980s, but it has gotten stronger over time. The days of counting "acres benefited" as program results are coming to a

close. The new emphasis is on what tangible benefits come from our actions. All agencies can see this change in our planning and performance management systems.

Finally, there is an increasing expectation that conservation programs serve as enablers of market-based solutions.

Through all of these changing expectations, we will see an even greater reliance on conservation technical assistance to help operators identify their conservation needs and solutions.

We will also need better science – including research and technology transfer – to help us design and implement programs that produce results and operate together in an integrated way. We have learned a lot over the last 20 years about the resource capabilities of the land and the effects of both agriculture and conservation activities. We have a greater understanding of the factors that affect the productivity of the land.

Every year, farmers and ranchers can make more precise decisions about their operations that affect their bottom line. I know I do. Every year, we can help farmers and ranchers make more precise decisions about their conservation activities that affect the environment. I know I do. And we will continue to learn more in the future.

We must modify our conservation programs to incorporate the knowledge we now have as well as the flexibility to allow us to adapt the programs to the knowledge we will have in the future.

#### Conclusion

This week's meeting has us on the right track in many ways. During this meeting, we have discussed performance measures. We are in the process of receiving input from non-government organizations. Later in the conference, we will get input from congressional staffs and discuss the economic, wildlife, and water quality impacts of CRP.

The conference is a good start toward redefining CRP for a new era of working lands conservation.

Thank you.